

The City Council meeting reconvened on Friday, April 11, 2003, at 12:00 noon at the Donaldson Brown Hotel and Conference Center and Alumni Hall, Old Guard Room, Virginia Tech, Blacksburg, Virginia, for a meeting of representatives of the Regional Leadership Summit.

PRESENT: Council Members William D. Bestpitch and Mayor Ralph K. Smith-----2.

ABSENT: Council Members William H. Carder, M. Rupert Cutler, Alfred T. Dowe, Jr., C. Nelson Harris and Linda F. Wyatt-----5.

OFFICERS PRESENT: Darlene L. Burcham, City Manager; and Stephanie M. Moon, Deputy City Clerk.

Also present were Wayne G. Strickland, Secretary, Fifth Planning District Regional Alliance; Victor Iannello, Vice-Chair, Fifth Planning District Regional Alliance; Dr. Charles Steger, President, Virginia Polytechnic Institute and State University; Dr. Ray Smoot, Vice-President of Administration and Treasurer, Virginia Polytechnic Institute and State University; Barry DuVal, President and CEO, Kaufman and Canoles Consulting, LLC; Beth Doughty, President, Roanoke Regional Chamber of Commerce; and members of City Councils/Boards of Supervisors and staff of the following localities: Alleghany County, Bedford County, Botetourt County, Franklin County, Montgomery County, Roanoke County, City of Roanoke, City of Salem, Town of Covington and Town of Vinton.

COUNCIL-REGIONAL LEADERSHIP SUMMIT-CENTER IN THE SQUARE: Mr. Strickland introduced Dr. Charles Steger, President, Virginia Tech, for remarks.

On behalf of Virginia Tech, Dr. Steger extended a welcome to Blacksburg, Virginia. He advised that over the years, Virginia Tech has enjoyed a special relationship with the Roanoke Valley and surrounding communities, and has been directly involved in a number of initiatives that have brought education and economic development to the region. He reviewed the following regional initiatives by Virginia Tech:

Issued a challenge to the University community to place Virginia Tech among the nation's top 30 research universities by the end of the decade.

Today's society is knowledge driven, therefore, to stay ahead requires a constant stream of discovery, ideas, and innovation as a university, as a state, and as a nation.

Globalization and rapid technological change continue to place increasingly higher premiums on skilled workers—workers with strong reasoning skills and the ability to stay abreast of expanding knowledge and evolving technologies. The task of educating and training the workforce is the responsibility of a university.

Virginia Tech is the State's largest and most comprehensive research university; however, it is not enough to be the best in the region, or the state.

Every university, every state, and every nation seeks the best students and the best faculty. In our global information economy, the best information, the brightest faculty members, and the most effective course work can be accessed anywhere. Therefore, the quality standard for students, faculty, and workers is the standard set by global excellence, not regional or national.

If Virginia Tech is to continue providing a quality education for its students, to provide an atmosphere of robust research and scholarship, and to attract the best and brightest faculty, the University must be competitive with the best in the nation—and the world.

Reaching for the top 30 goals means that Virginia Tech will strive for academic excellence in all that it does, and will strengthen scholarships in every area of the University.

Faculty members who are on the leading edge of their professions enable the University to provide the highest quality educational experience. A robust environment for research and scholarship attracts the best faculty, who, in turn, will challenge students to engage their mind in the world around them.

Virginia Tech's research agenda is closely tied to its teaching mission so that students benefit from the "process" of discovery, as well as the results.

Top 30 Goal and Economic Development

A thriving research program also engages the University with societal issues and permits Virginia Tech to provide cutting-edge technical assistance to communities and businesses.

As a land grant institution, this is an area where Virginia Tech has traditionally placed great value. Virginia Tech has a history of firm community and business links. It has a tradition of outreach—assisting communities and creating economic development.

Research universities are increasingly becoming the economic development engine for a region. The economic value of research universities to their region has been a consistent theme in studies over the last decade. Virginia Tech increasingly fills that role in Virginia. An economic impact survey, released in August 2000, indicated that Virginia Tech and its affiliates generated \$1.2 billion in economic activity in Montgomery County for fiscal year 1999.

Virginia Tech will be a key factor in Virginia's future economic competitiveness. If the Commonwealth of Virginia is to flourish, Virginia Tech must continue to enhance its research resources to serve those people who depend on the University in a greater capacity.

Virginia Tech will bring the greatest benefit to the Roanoke Valley, the Commonwealth of Virginia, and the global community, by being the best educational and research institution it can possibly be.

In conclusion, Dr. Steger stated that the competition is fierce and is constantly changing, formidable investments are being made by institutions across the country, public and private partnerships are emerging that will enable a very small number of institutions to enter into strategic partnerships that will not only be national, but international, and will dominant major research in the next decade, and the choice of Virginia Tech is to become a part of the competition.

Mark McNamee, Virginia Tech Provost and Vice President for Academic Affairs, advised that Virginia Tech has a clear sense of direction and purpose, and in order to be successful in its mission, Virginia Tech must launch a series of research initiatives that will be of benefit to Virginia Tech as it develops as a University, and to promote benefits to the region, the Commonwealth of Virginia, the

nation and the world. He stated that Virginia Tech views itself as competing in a global environment; and in order to manage various issues, Virginia Tech will focus on those issues where it can make a difference, i.e.: research initiatives in engineering and physical science. He added that Virginia Tech lacks in the applied science field, such as biomedical which is an advanced field in technology; and the University is interested in public health, which will be a challenge because a traditional human medical school does not exist on campus.

BRANDING UPDATE: Victor Iannello, Vice Chair, Fifth Planning District Regional Alliance, highlighted primary themes and tactics to propel the region forward; viz: visibility, connectivity, quality of life amenities, knowledge workforce, innovation and entrepreneurship, and economic transformation. He advised that the region must do more to encourage and attract "knowledge economy" companies as it reacts to a continued decline in traditional manufacturing.

Mr. Iannello further stated that the Region should develop a common branding so that information is consistent; a Branding Steering Committee has been appointed consisting of marketing organizations that would use the brand, including the Roanoke Valley Economic Development Partnership, the New River Valley Economic Development Alliance, the Alleghany Highlands Economic Development Corporation, the Roanoke Valley Convention and Visitors Bureau, VA Tech, and participation by local governments; the brand should be inclusive so that the individual identity of the localities will not be lost; and the City of Roanoke has hired a consultant Landor Associates, a world-recognized expert in developing brands for corporations and regions.

He highlighted following process for the branding initiative:

Discovery phase - interviews and research review process,

Strategic platform development - associations that drive brand loyalty, position concepts, position research, naming,

Brand identity development - visual identity, associating the brand with a logo,

Documentation - instructions as to how the brand should be carried forward.

In summary, Mr. Iannello advised that the Roanoke Valley, Alleghany Highlands, New River Valley have a history of cooperation; and branding is important because it will provide a vehicle for the Alliance to educate the community and an opportunity to propel the region forward.

AIRPORT-CONSULTANTS: Beth Doughty, President, Roanoke Regional Chamber of Commerce, presented a brochure with regard to the campaign for fair airfares. She advised that several low-fare airlines provide service to communities of a size similar to the Roanoke region; cities across the country compete to convince airlines to serve their markets; and the Roanoke Regional Airport Alliance has been working with the Roanoke Regional Airport and Roanoke City officials to design incentives to attract a low-fare air carrier.

Barry DuVal, President and CEO, Kaufman and Canoles Consulting, LLC, highlighted the key factors that promote economic competitiveness in a regional economy; i.e.: competitive workforce, intellectual capacity, quality of life, pro-business attitude, and global connectivity; and advised that businesses and leisure travelers are looking for low-cost and frequent air service, with most preferring jet service; and small to medium markets have successful airports that focus on low-cost and frequent perks. He further advised that major airlines are struggling because of significant fixed costs, labor, and operating expenses; whereby another group of carriers in the United States, known as low-fare air carriers are successful, which has caused a trend in small and medium-size markets for air service; and regional alliances consisting of public/private partnerships have formed to recruit low-fare carriers.

He stated that two airports in Virginia have shown growth in the last 12 months – Norfolk and Newport News; i.e.: Southwest Airlines serves Norfolk and AirTran Airways serves Newport News; and two components that are critical to each alliance are strong pledges of support from regional business leaders and communities, and an air service improvement fund which is used to reduce operating costs.

Mr. Duval advised that a preliminary draft of a survey for low-fare air carrier service included profiling all domestic low-fare carriers in the United States based on the carrier's existing route, aircraft needs, type of plane flown, recent route expansions, apparent route development strategies and the type of carrier to serve Roanoke; and the results of the study indicated the following: "All factors considered, AirTran Airways is clearly the candidate best suited to provide low-fare service to Roanoke." He further advised that based on the results of the study, the Roanoke Regional Airport intends to move forward with an initiative to implement a travel pledge campaign from the business communities of all the local jurisdictions in the Roanoke Valley, which will be a critical component to AirTran Airways and any other airline that would like to utilize the results of the study.

He presented copy of a news release advising that the campaign for Fair Airfares has already raised nearly \$1.2 million in travel pledges to help attract a low-fare air carrier to the Roanoke Regional Airport; the Roanoke Regional Airport Alliance intends to secure \$2 million in pledges by September 2003 from businesses that use Roanoke Regional Airport; and initial pledges were generated by targeting the largest users of the Airport. He explained that the campaign will be rolled out to businesses throughout the airport service area by mail and through a web site, www.roanokefares.com, requesting businesses to pledge to allocate a portion of their annual business travel to AirTran; and the Roanoke Regional Chamber of Commerce will coordinate the campaign with assistance from Chambers of Commerce in the Alleghany Highlands, Lexington-Rockbridge County, Martinsville-Henry County, and Montgomery County.

In closing, Mr. Duval encouraged representatives of the Regional Leadership Summit to discuss the initiative with their constituents because it is critical to businesses in the respective communities to participate in the travel pledge program.

Dr. Ray Smoot advised that Virginia Tech routinely spends about \$1 million a year in air travel, and the University received its pledge cards in January. He commented on air service usage by Virginia Tech officials, i.e.: the frequency of Virginia Tech employees flying to destinations served by AirTran Airways and the amount of travel the University could commit to a low-fare carrier.

Ms. Doughty advised that the question of air service has consistently been in the top three issues of concern for Chamber of Commerce members and the ability to compete in the regional economy; and she foresees some promise with the public/private partnership to engage both the public and private sector in efforts to attract a low-fare air carrier. She further advised that the Roanoke Regional Chamber of Commerce is part of the Western Virginia Business and Legislative Coalition which consists of 14 Chambers of Commerce in Western Virginia; and she is optimistic that the Chamber of Commerce has in place the tools and the network to assist localities.

OTHER BUSINESS/ANNOUNCEMENTS:

Mr. Strickland called attention to a two-day workshop on Revitalizing Virginia Communities – Discovering the Tools to Address Brownfield Sites, on May 21 - 22, 2003, at the Hotel Roanoke and Conference Center. He announced that the next Mayors and Chairs meeting will be held on Friday, May 16 at 12:00 noon at Ferrum College in Franklin County, and the meeting for the month of June will be hosted by the City of Salem.

Mayor Smith called attention to discussions with David Goode, Chief Executive Officer, Norfolk Southern Corporation, in connection with a rail excursion in July 2003, in lieu of the next Leadership Summit.

Joseph P. McNamara, Chair, Roanoke County Board of Supervisors, announced that Roanoke County will host the next Leadership Summit in October and Don Davis, Mayor, Town of Vinton, advised that the Town will host the following Leadership Summit.

There being no further business, Mayor Smith declared the meeting of Roanoke City Council adjourned at 1:40 p.m.

A P P R O V E D

ATTEST:

Mary F. Parker
City Clerk

Ralph K. Smith
Mayor
